

Exhibit No. 1Date 4-12-07 (2)Bill No. HB 116Amendments to House Bill No. 116  
3rd Reading Copy

Requested by Senator David Wanzenried

For the Senate Finance and Claims Committee

Prepared by Barbara Smith  
April 12, 2007 (5:54pm)

1. Page 1, line 17.  
**Following:** "19-5-404,"  
**Insert:** "75-1-1101,"  
**Strike:** "82-11-161,"

2. Page 3, line 19.  
**Strike:** "1.97%"  
**Insert:** "1.45%"

3. Page 3, line 21.  
**Strike:** "1.96%"  
**Insert:** "1.45%"

4. Page 3, line 23.  
**Strike:** "1.96%"  
**Insert:** "2.99%"

5. Page 3, line 28.  
**Strike:** "2.43%"  
**Insert:** "2.16%"

6. Page 3, line 30.  
**Strike:** "2.30%"  
**Insert:** "2.02%"

7. Page 4, line 2.  
**Strike:** "2.40%"  
**Insert:** "2.95%"

8. Page 8, line 8.  
**Strike:** "AND"

9. Page 8, line 12.  
**Strike:** "\$440,000"  
**Insert:** "\$300,000"

10. Page 8, line 13.

**Strike:** " \_"

**Insert:** ";"

11. Page 8.

**Following:** line 17

**Insert:** "(iii) \$500,000 to the department of fish, wildlife, and parks for the purposes of 87-1-283. The future fisheries review panel shall approve and fund qualified mineral reclamation projects before other types of qualified projects.

(iv) \$175,000 to be deposited in the environmental contingency account established in 75-1-1101."

12. Page 8.

**Strike:** line 20 through line 21 in their entirety

**Renumber:** subsequent subsections

13. Page 10, line 5.

**Strike:** "and"

14. Page 10, line 8.

**Strike:** "\$440,000"

**Insert:** "\$300,000"

15. Page 10, line 9.

**Strike:** "."

**Insert:** ";"

16. Page 10.

**Following:** line 9

**Insert:** "(iii) \$500,000 to the department of fish, wildlife, and parks for the purposes of 87-1-283. The future fisheries review panel shall approve and fund qualified mineral reclamation projects before other types of qualified projects.

(iv) \$175,000 to be deposited in the environmental contingency account established in 75-1-1101."

17. Page 10.

**Strike:** line 12 through line 13 in their entirety

**Renumber:** subsequent subsections

18. Page 13, line 21.  
Following: "~~82-11-161;~~"  
Insert: "82-11-161;"

19. Page 14.

Following: line 15

Insert: "Section 9. Section 75-1-1101, MCA, is amended to read:

"75-1-1101. **Environmental contingency account objectives.**

(1) There is an environmental contingency account within the state special revenue fund established in 17-2-102. The environmental contingency account is controlled by the governor.

(2) At the beginning of each ~~biennium~~, fiscal year, \$175,000 must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund with the following exceptions:

~~(a) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account equals or exceeds \$750,000, allocation may not be made, and~~

~~(b) if at the beginning of any biennium the unobligated cash balance in the environmental contingency account is less than \$750,000, then an amount less than or equal to the difference between the unobligated cash balance and \$750,000, but not to exceed \$175,000, must be allocated to the environmental contingency account from the interest income of the resource indemnity trust fund.~~

(3) Funds are statutorily appropriated, as provided in 17-7-502, from the environmental contingency account upon the authorization of the governor to meet unanticipated public needs consistent with the following objectives:

(a) to support renewable resource development projects in communities that face an emergency or imminent need for the services or to prevent the physical failure of a project;

(b) to address imminent natural resource restoration and remediation needs that are anticipated to have significant adverse impacts to Montana's natural environment if not addressed in a timely manner;

~~(b)(c)~~ (c) to preserve vegetation, water, soil, fish, wildlife, or other renewable resources from an imminent physical threat or during an emergency, not including:

(i) natural disasters adequately covered by other funding sources; or

(ii) fire suppression;

~~(c)(d)~~ (d) to respond to an emergency or imminent threat to persons, property, or the environment caused by mineral development;

~~(d)(e)~~ (e) to respond to an emergency or imminent threat to persons, property, or the environment caused by a hazardous material; and

~~(e)~~(f) to fund the environmental quality protection fund provided for in 75-10-704 or to take other necessary actions, including the construction of facilities, to respond to actual or potential threats to persons, property, or the environment caused by hazardous wastes or other hazardous materials.

(4) Interest earned from funds in the environmental contingency account ~~accrues to the general fund~~ remains in the account.

(5) The governor shall submit, as a part of the information required by 17-7-111, a complete financial report on the environmental contingency account, including a description of all expenditures made since the preceding report."

**Renumber:** subsequent sections

20. Page 15, line 23 through line 24.

**Strike:** "Except" on line 23 through "unused" on line 24

**Insert:** "Unused"

21. Page 15, line 26 through page 16, line 5.

**Strike:** subsection (6) in its entirety

22. Page 16, line 11.

**Strike:** "Except as provided in subsection (9), the"

**Insert:** "The"

23. Page 18, line 16 through line 23.

**Strike:** subsection (9) in its entirety

24. Page 18, line 29.

**Strike:** "(9) through (11)"

**Insert:** "(9) and (10)"

25. Page 19, line 19.

**Strike:** "subsection (7)"

**Insert:** "subsections (6) and (7)"

26. Page 19, line 22.

**Strike:** "Reimbursement"

**Insert:** "Except as provided in subsection (6), reimbursement"

27. Page 20.

**Following:** line 6

**Insert:** "(c) A state agency that is liable for remedial action costs incurred has a claim against the orphan share fund and must be reimbursed as provided in subsection (3). The agency may submit a claim before or after remedial action is complete. Reimbursement may not be made for attorney fees,

legal costs, or operation and maintenance costs. The agency may be reimbursed only after:

(i) its liability has been determined pursuant to 75-10-742 through 75-10-751 or by a court of competent jurisdiction;

(ii) it has received a notice letter pursuant to 75-10-711; and

(iii) the department has approve the costs.

(d) If the department determines that persons given notice pursuant to 75-10-711 do not have the financial resources to conduct necessary remedial actions at a facility, the department may use the orphan share fund to conduct the necessary remedial actions."

28. Page 20, lines 16 through 19

**Strike:** subsection (9) in its entirety

**Renumber:** subsequent subsections

29. Page 20, line 26.

**Strike:** "(10)(a)"

**Insert:** "(9)(a)"

30. Page 21, line 4.

**Strike:** "(10)(a)"

**Insert:** "(9)(a)"

31. Page 21, line 8.

**Strike:** "(10)(a)"

**Insert:** "(9)(a)"

32. Page 21, line 16.

**Strike:** "(10)(g)"

**Insert:** "(9)(g)"

33. Page 21, line 20.

**Strike:** "(10)(e)"

**Insert:** "(9)(e)"

34. Page 21, line 22.

**Strike:** "(10)"

**Insert:** "(9)"

35. Page 21, line 27.

**Strike:** "(10)(d)"

**Insert:** "(9)(d)"

36. Page 22, line 1.

**Strike:** "(11) (b) "

**Insert:** "(10) (b) "

37. Page 22, line 6.

**Strike:** "(11) (b) (i) "

**Insert:** "(10) (b) (i) "

38. Page 22, line 9.

**Strike:** "(11) (b) (i) "

**Insert:** "(10) (b) (i) "

39. Page 22.

**Following:** line 12

**Insert:** "(11) For the biennium beginning July 1, 2007, the department shall transfer from the orphan share fund:

(a) \$600,000 to the hazardous waste/CERCLA account provided for in 75-10-621 to provide for a positive account balance;

(b) \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161 to provide for a positive account balance;

(c) \$2 million to the environmental quality protection fund established in 75-10-704 to be used by the department to expedite the cleanup of the burlington northern Santa Fe Livingston site;

(d) \$200,000 to the natural resources operations state special revenue account established in [section 27] to provide for a positive account balance; and

(e) \$800,000 to the natural resources projects state special revenue account established in [section 28] to provide for a positive account balance.

40. Page 22, line 22 through page 23, line 16.

**Strike:** section 13 in its entirety

**Renumber:** subsequent sections

41. Page 36.

**Following:** line 22

**Insert:** "NEW SECTION. **Section 29. Transfer of funds.** (1) The department of administration shall transfer \$1 million in fiscal year 2008 and \$1 million in fiscal year 2009 from the general fund to the environmental contingency account provided for in 75-1-1101.

(2) At the beginning of fiscal year 2008, the department of natural resources and conservation shall transfer the ending fund balance in the renewable resource grant and loan program state special revenue account established in 85-1-604 and the

reclamation and development grants state special revenue account  
established in 90-2-1104 to the natural resources operations  
state special revenue account created in [section 27]."

- END-